

# DOCKET SECTION

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Before The  
POSTAL RATE COMMISSION  
WASHINGTON, D.C. 20268-0001

POSTAL RATE AND FEE CHANGES, 1997

Docket No. R97-1

## UNITED STATES POSTAL SERVICE INTERROGATORIES TO NDMS WITNESS HALDI (USPS/NDMS-T1-6-11)

Pursuant to rules 25 and 26 of the Rules of Practice and Procedure and rule 2 of the Special Rules of Practice, the United States Postal Service directs the following interrogatories to NDMS witness Haldi: USPS/NDMS-T1-6-11.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.  
Chief Counsel, Ratemaking

  
Michael T. Tidwell

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Washington, D.C. 20260-1137  
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January 28, 1998

INTERROGATORIES OF THE UNITED STATES POSTAL SERVICE  
TO NDMS WITNESS HALDI

USPS/NDMS-T1-6

Assume that the unit mail processing cost for single piece nonstandard, under-one-ounce First-Class Mail flats is 11.1 cents higher than the unit mail processing cost of the average single piece First-Class Mail flat.

Please confirm that using the formula summarized in interrogatory NDMS/USPS-ST43-18 (Docket No. R97-1; Tr. 14/7400-01), the additional cost of processing nonstandard pieces would be:

Single Piece

(1)	Manual Letters	\$0.2054	
	Average Letters	<u>\$0.1174</u>	
		\$0.0880	
	X proportion of letters	<u>19.3%</u>	\$0.0170
(2)	Flats	\$0.3243 + \$0.111	
	Average Letters	<u>\$0.1174</u>	
		\$0.3179	
	X proportion of flats	<u>73.1%</u>	\$0.2324
(3)	Parcels	\$0.7408	
	Average Letter	<u>\$0.1174</u>	
		\$0.6234	
	X proportion of parcels	<u>7.6%</u>	\$0.0474
(4)	Total		\$0.2968

If you do not confirm, please explain in full.

INTERROGATORIES OF THE UNITED STATES POSTAL SERVICE  
TO NDMS WITNESS HALDI

USPS/NDMS-T1-7. Assume that the unit mail processing cost for single piece nonstandard, under-one-ounce First-Class Mail flats is 11.1 cents higher than the unit mail processing cost of the average single piece First-Class Mail flat. Also assume that the mail processing cost of a single piece nonstandard, under-one-ounce First-Class parcel is the same as that of an under-one-ounce flat. Please confirm that using the formula summarized in interrogatory NDMS/USPS-ST43-18 (Docket No. R97-1; Tr. 14/7400-01), the additional cost of processing nonstandard pieces would be:

Single Piece

(1)	Manual Letters	\$0.2054	
	Average Letters	<u>\$0.1174</u>	
		\$0.0880	
	X proportion of letters	<u>19.3%</u>	\$0.0170
(2)	Flats	<b>\$0.3243 + \$0.111</b>	
	Average Letters	<u>\$0.1174</u>	
		\$0.3179	
	X proportion of flats	<u>73.1%</u>	\$0.2324
(3)	Parcels	<b>\$0.4352</b>	
	Average Letter	<u>\$0.1174</u>	
		\$0.3178	
	X proportion of parcels	<u>7.6%</u>	\$0.0241
(4)	Total		\$0.2735

If you do not confirm, please explain in full.

INTERROGATORIES OF THE UNITED STATES POSTAL SERVICE  
TO NDMS WITNESS HALDI

USPS/NDMS-T1-8. Assume that the unit mail processing cost for single piece nonstandard, under-one-ounce First-Class Mail flats is 11.1 cents higher than the unit mail processing cost of the average single piece First-Class Mail flat. Also assume that the mail processing cost of a single piece nonstandard, under-one-ounce First-Class parcel is the same as that of the average flat (as was assumed in Docket No. R90-1). Please confirm that using the formula summarized in NDMS/USPS-ST43-18 (Docket No. R97-1; Tr: 14/7400-01), the additional cost of processing nonstandard pieces would be:

Single Piece

(1)	Manual Letters	\$0.2054	
	Average Letters	<u>\$0.1174</u>	
		\$0.0880	
	X proportion of letters	<u>19.3%</u>	\$0.0170
(2)	Flats	<b>\$0.3243 + \$0.111</b>	
	Average Letters	<u>\$0.1174</u>	
		\$0.3179	
	X proportion of flats	<u>73.1%</u>	\$0.2324
(3)	Parcels	<b>\$0.3243</b>	
	Average Letter	<u>\$0.1174</u>	
		\$0.2069	
	X proportion of parcels	<u>7.6%</u>	\$0.0157
(4)	Total		\$0.2651

If you do not confirm, please explain.

INTERROGATORIES OF THE UNITED STATES POSTAL SERVICE  
TO NDMS WITNESS HALDI

USPS/NDMS-T1-9.

- a. Please confirm that the delivery cost shown at page 6 of USPS witness Hume's Exhibit USPS-18A for First-Class Mail DPS'd letters is 3.335 cents and for non-DPS'd letters is 5.313 cents.
- b. Please confirm that the delivery cost shown at page 6 of witness Hume's Exhibit USPS-18A for First-Class Mail flats is 4.89 cents.
- c. Please confirm that the delivery base unit cost shown at page 6 of witness Hume's Exhibit USPS-18A for all First-Class Mail single piece letters and flats is 6.137 cents.

USPS/NDMS-T1-10.

Would you expect the unit cost of delivering nonstandard First-Class Mail pieces to be greater than the unit cost of delivering standard First-Class Mail letters, many of which can be DPS'd? If not, please explain.

USPS/NDMS-T1-11.

Have you attempted to calculate the unit cost of under-one-ounce First-Class Mail flats or parcels using IOCS data or the methodology reflected in USPS-LR-H-182 or USPS-ST-44? If so, please provide the output of any such efforts, whether or not completed.

## **CERTIFICATE OF SERVICE**

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.

A handwritten signature in black ink, appearing to read "M. Tidwell", written over a horizontal line.

Michael T. Tidwell

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January 28, 1998